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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia and Harvey L. Bryant III, the Commonwealth Attorney for Virginia Beach, Virginia, announced today the sentencing of the last two defendants in *Operation Weed B Truckin*. Since August of 2001, federal and state authorities have worked jointly to convict 14 defendants on federal charges and 3 defendants on state charges in this nationwide investigation. Since August of 2001, over 20 state and federal search and seizure warrants have been executed resulting in the seizure of over 10,000 pounds of marijuana and close to 5 million dollars in assets.

The investigation surrounded the dismantling of an interstate marijuana and money laundering distribution ring. The ring used commercial trucking companies to haul marijuana from Arizona to Virginia, New York, Illinois, Georgia and North Carolina. The ring also formed several corporations to further money laundering activities and hide assets from law enforcement. One or more members of the ring had been involved since 1992 in illegal deeds.

All the defendants who plead guilty in federal court and/or state court were part of a nationwide crime ring to transport marijuana from Arizona to Virginia and other states. The investigation determined that the defendants used sophisticated means to hide their assets and launder the proceeds of marijuana distribution through shell corporations.

Mr. McNulty said, "the aim of our office is not only to prosecute and convict those who break the law, but to work with state officials in a cooperative manner to effectively dismantle groups and forfeit the ill-gotten gains to the United States. The assets seized in this case will be used to fund vital law enforcement efforts in Virginia Beach and elsewhere. Up to eighty percent of federally forfeited assets are returned to participating localities under the Asset Forfeiture program administered by the Department of Justice."

Mr. Bryant, the Commonwealth Attorney for Virginia Beach stated, "state and federal cooperation serves to enhance our ability to combat crime originating from other states. I am especially proud of the outstanding contributions made by officials of the Special Investigation Unit of the Virginia Beach Police Department and by Assistants in my office to further the cause of justice."

Mr. Bryant and Mr. McNulty jointly praised the cooperation between the United States Attorney's Office, the Commonwealth Attorney's Office of Virginia Beach, the Virginia Beach Police Department and the Drug Enforcement Administration in Norfolk, Virginia, Richmond, Virginia, Sierra Blanca, Texas, New York City, New York, and Tucson, Arizona. Working together allows authorities to combat crime in a more efficient and effective manner.

Thus far, the following defendants have been sentenced in federal court:

Robert Edward Phillips, age 55, Tucson, Arizona, was sentenced to 360 months on money laundering and marijuana conspiracy charges and ordered to forfeit up to 10 million dollars to the United States.

Kurtis Herrick Donath, age 47, of Tucson, Arizona, was sentenced to 138 months on the marijuana conspiracy and ordered to forfeit up to 5 million dollars to the United States.

Tommy Ray Higgins, age 53, of Virginia Beach, Virginia, was sentenced to 82 months on the marijuana conspiracy and ordered to forfeit up to \$50,000 dollars to the United States.

David Alex Paquette, age 50, of Farmville, Virginia, was sentenced to 135 months on the marijuana conspiracy and ordered to forfeit up to 5 million dollars to the United States.

Ray Carl White, age 40, of Virginia Beach, Virginia, was sentenced to 78 months on the marijuana conspiracy and ordered to forfeit up to \$100,000 dollars to the United States.

Gary Eugene Morgan, age 35, of Asheboro, North Carolina, was sentenced to 121 months on the marijuana conspiracy and ordered to forfeit up to \$50,000 dollars to the United States.

Herbert L. Blakley, age 48, of Mineral, Virginia, was sentenced to 120 months on the marijuana conspiracy and ordered to forfeit a home in Virginia.

Glenn Allen Blakley, age 35, of Richmond, Virginia, was sentenced to 96 months on the marijuana conspiracy and ordered to forfeit up to \$50,000 dollars to the United States.

Stanley Ray Blakley, age 54, of Amelia County, Virginia, was sentenced to 121 months on the marijuana conspiracy and ordered to forfeit up to \$50,000 dollars to the United States.

Dorothy Anne Creekmore, age 43, of Virginia Beach, Virginia, was sentenced to 6 months home confinement and 3 years of supervised release on the conviction to remove assets to prevent the lawful seizure and ordered to waive her interest in certain assets of the other defendants, including a 1991 Winnebago.

Clarence T. Hayes, age 48, of Wanchese, North Carolina, sentenced today to 1 month in prison, 5 months home confinement, and 3 years of supervised release on the conviction to remove assets to prevent the lawful seizure and ordered to waive his interest in certain assets of the other defendants, including proceeds of an insurance policy and the sum of \$555,000 laundering through fishing operations.

BDB Fishing Vessel, Inc., of Virginia Beach, Virginia, was sentenced to 2 years probation on the money laundering conspiracy and ordered to forfeit the sum of \$555,000.00 laundering through the fishing operations and the proceeds of an insurance policy in the amount of \$150,000.00.

American Investments East, LLC, of Virginia Beach, Virginia, was sentenced today to 2 years probation and ordered to forfeit the sum of \$555,000.00 laundering through the fishing operations and the proceeds of an insurance policy in the amount of \$150,000.00.

Charles Marshall Jr., of Virginia Beach, Virginia, was sentenced to 60 months imprisonment and ordered to forfeit several assets and the sum of up to \$546,000.00.

Since 2001, the Drug Enforcement Administration and the Virginia Beach Police Department have seized and forfeited several assets from the ring:

Federal and State Seizures and Forfeitures in 2001

1. \$20,736.00 in United States Currency recovered from Marshall at 1992 Wellsford Drive, Virginia Beach, Virginia;
2. \$2,598.00 in United States Currency recovered from the defendant Marshall;
3. A Boat Trailer and assorted equipment, including stereo equipment, a large screen television, computer equipment, digital cameras, and two mountain bikes seized at 1992 Wellsford Drive, Virginia Beach, Virginia;
4. A 2000 Chevrolet Silverado, recovered from the defendant Marshall near Unit 207, Public Storage Facility, 1489 General Booth Boulevard, Virginia Beach, Virginia;
5. A 22 foot Grady White Boat, recovered from the Lynnhaven Marine/Boatel, 2150 W. Great Neck Road, Virginia Beach, Virginia.

Federal and State Seizures and Forfeitures in 2003

6. \$7,475.00 dollars seized from Monica Lamm, in Virginia Beach, Virginia, in January 2003;

7. \$5,982.28 dollars seized from Edward Samonte, in Virginia Beach, Virginia, in May 2003;
8. \$1,543.00 dollars seized from Edward Samonte, in Virginia Beach, Virginia, in June 2003;
9. \$5,400.00 dollars seized from Edward Samonte, in Virginia Beach, Virginia, in June 2003;
10. \$280,410.00 dollars seized from Paquette, in Farmville, Virginia, in June 2003;
11. \$686,720.00 dollars seized from Paquette, in Farmville, Virginia, in June 2003;
12. \$11,042.54 dollars seized from Paquette, in Farmville, Virginia, in June 2003;
13. Various Farm Equipment seized from Paquette, in Farmville, Virginia, in June 2003;
14. \$19,990.00 dollars seized from Higgins in Virginia Beach, Virginia, in June 2003;
15. A 1993 Mercury Minivan seized from Higgins, Virginia Beach, Virginia; in June 2003,
16. \$3,403 dollars seized from Higgins, in Virginia Beach, Virginia, in June 2003.;
17. \$16,700.00 dollars seized from White, in Virginia Beach, Virginia, in June 2003;
18. A 1995 Harley Davidson Motorcycle seized from White, in Virginia Beach, Virginia, in June 2003;
19. \$3,922.01 dollars seized from White, in Virginia Beach, Virginia in June 2003;
20. \$6,037.00 seized from Robert Edward Phillips and \$970.00 seized from defendant Donath at the time of their arrest in July 2003, in Tucson, Arizona;
21. One Winnebago Mobile Home, One Toyota Pickup Truck and One Coronado Mobile Home seized in July 2003, in Arizona;
22. \$1,150,000.00 and a box trailer seized in Tucson, Arizona, from defendant Phillips in August 2003;
23. \$206,560.00 seized from a safe in Tucson, Arizona, from defendant Phillips in August 2003;

24. \$13,000.00 in the form of four bank checks seized from defendant Creekmore after she cleaned-out Robert Edward Phillips' bank account at Wells Fargo Bank Arizona, N.A. and effectuated the return of an escrow deposit made by Robert Edward Phillips in Arizona for the purchase of 11 050 E. Limberlost, Tucson, Arizona, seized in August 2003;
25. Real Property located at 3861 Battlefield Boulevard, Chesapeake, Virginia, seized from Phillips that he had purchased using a false name;
26. Real Property located at 213 Deer Run, Farmville, Virginia, and 664 Raff Road, Virginia Beach, Virginia, seized from Paquette;
27. The proceeds in the amount of \$150,000.00 from an insurance policy issued by Indemnity Insurance Company of North America and serviced by INAMAR Marine Claims and Recovery, naming Robert E. Phillips as the beneficiary for the boat named the "Captain Bob," which sank in or about May 2003;
28. Two 1993 Ford Mustangs, including a racing car seized in December 2003, in Richmond, Virginia, from Stanley Blakely;
29. One 1971 Chevy Race Car seized in December 2003 from Glen Blakely.

Federal Seizures and Forfeitures in 2004

30. \$335, 480,00 dollars seized from Paquette, in Farmville, Virginia, in January 2004.;
31. Assorted Precious Items, including gold krugers, and a gold ring seized in March 2004 from defendant Donath, in Tucson, Arizona;
32. \$212,310.00 dollars seized from a safe belonging to Donath in March 2004, in Tucson, Arizona.
33. \$26,980.00 dollars seized from defendant Creekmore in April 2004.

The case was prosecuted by Assistant United States Attorney Kevin M. Comstock.